GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3855
ANSWERED ON:17.08.2001
PROFIT OF BANKS
DAGGUBATI RAMANAIDU

Will the Minister of FINANCE be pleased to state:

(a) whether some public sector banks have reported sharp decline in their net profit for the year 2000-2001 due to higher provision for making payments to persons who opted for voluntary retirement scheme;

(b) if so, the total amount of payments made on this account upto March 31, 2001, bank-wise; and

(c) the amount expected to be paid during the current year for above purpose, bank-wise ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a): The Reserve Bank of India (RBI) has reported that out of 27 public sector banks, 13 banks have recorded reduction in their net profit in 2000-2001. RBI has further reported that the gross profit of public sector banks, as a group, was Rs.13792.96 crore during the year 2000-2001, against Rs.13066.36 crore during the year 1999-2000, representing an increase of Rs.726.60 crore. RBI has further reported that the net profit of public sector banks as a group was Rs.4316.97 crore during the year 2000-2001, against Rs.5116.18 crore during 1999-2000, representing a decrease by Rs.799.21 crore.

(b) & (c): As per the provisional data made available by the public sector banks and data compiled from their published balance sheets, the expenditure charged to the profit & loss account by them towards VRS expenditure as on 31st March, 2001 and to be charged to the Profit & Loss account towards VRS expenditure as on 31st March, 2002, bank-wise are furnished in the Annexure.